

TIMBER SALE PROSPECTUS

Sale Name :	Tower Road	Type of Sale :	Premeasured
National Forest :	Ozark St. Francis	Ranger District :	Sylamore
Bidding Method :	Sealed Bid	Bid Guarantee :	\$2,500.00

Location of Bid Opening : Supervisor Office, 605 W. Main, Russellville, Arkansas

Date : 07/21/2011

Time : 02:00 PM

1. INTRODUCTION. This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether or not to further investigate the sale. The prospectus is not a legally binding document, but is offered to provide general information about a sale. The contract does not include descriptions, estimates, and other data in this prospectus, unless otherwise stated. In the event that the prospectus contains an error or contradicts the sample contract, the contract governs. Bidders are urged to examine the timber sale and make their own estimates. Timber sale Contract 2400-6T will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber, and conditions of sale and bidding at Forest Service offices listed above and in the named attached advertisement.

2. BIDDING. This is a Sealed Bid sale. Bidders must submit sealed bids on prepared forms they can obtain from Forest Service offices listed above and in the attached advertisement. The forms include instructions for bidding and submission of the required certifications. A bid guarantee must be included with the bid in the form of cash, a bid bond on form FS-6500-13 (4/82) or later, certification of annual bid bond allocation on form FS-6500-13a (4/82) or later, an irrevocable letter of credit, a certified check, bank draft, cashiers check, official bank check, or bank or postal money order payable to the Forest Service, USDA in the amount specified above and in the bid form. The bid guarantee shall be returned to each bidder whose bid is not accepted.

3. LOCATION AND DESCRIPTION OF TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of payment units, location of cutting units, the acreage of sale area, and the cutting unit acreage.

THE FOLLOWING GENERAL LOCATION, ROUTES OF ACCESS, ACREAGES, AND OTHER SPECIAL LOCATION DATA DO NOT SUPERSEDE THE SALE AREA MAP OR SAMPLE CONTRACT.

This sale is located on the Ozark National Forest, Sylamore Ranger District, Baxter and Stone County, AR. The sale is located approx. 20 miles north of Mountain View. The total sale area is approximately 1717 acres, of which 582 acres are designated for commercial thinning.

This is a pre-measured timber sale. The following listing of Included Timber is for information only. Refer to the sample contract for specific requirements.

All trees that meet utilization standards listed in AT2 within Individual Tree Marked Payment Units 1-25 and 30 (CTM as shown on the Sale Area Map) that are designated for cutting have been marked by paint spots below stump height and at about eye level. Payment Units 1-25 are marked in blue paint, payment unit 30 is marked in yellow paint. Sawtimber trees have 2 spots on the stump and small roundwood trees have one mark. The minimum pulpwood piece required is 15 feet to the small end diameter of 4" outside bark. Any piece meeting minimum size specifications prior to bucking must be removed. Bucking into less than minimum piece specifications will not be allowed.

4. TIMBER QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement.

VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED. For these reasons, bidders are urged to examine the timber sale area and make their own estimates.

Road Construction Costs. The advertised rate does not include the estimated cost of specified road construction. The estimated road construction cost has been included in the appraisal as a cost that the purchaser will incur. The purchaser will be responsible for the road construction cost and WILL NOT receive credit towards stumpage costs for this expense, i.e., THIS SALE DOES NOT INCLUDE PURCHASER CREDIT and bidders should consider the cost of road construction when developing their bids.

THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

Estimated Quantities and Rates per Unit of Measure

							Required Deposits	
Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Advertised Rates	Base Rates	Slash Disposal	Road Maintenance
Hardwoods - Green	Sawtimber	CCF	819.00	N/A	\$5.86	\$5.00	\$0.00	\$0.24
Southern Yellow Pine	Sawtimber	CCF	3,944.00	N/A	\$5.00	\$5.00	\$0.00	\$0.24
TOTAL		CCF	4,763.00				\$0.00	\$1,143.12

Timber Subject to Agreement

Species	Product	Unit of Measure	Fixed Rates	Slash Disposal Deposits	Road Maintenance Deposits
Cedar	Sawtimber	CCF	\$5.00		\$0.24
Combined Hardwoods	Pulpwood	CCF	\$3.00		\$0.24
Combined Softwoods	Pulpwood	CCF	\$3.00		\$0.24

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$22,066.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 03/15 and 12/15. Contract termination date is 06/30/2014. Extensions of this contract may be granted only when the purchaser has met specified conditions.

If an appeal or lawsuit is filed challenging the decision to award this contract or upon determination by the Regional Forester that conditions existing on this timber sale are the same as, or nearly the same as, conditions existing on other timber sale(s) in appeal or litigation, Contracting Officer may delay award or reject all bids. If delay in award is for 30 days or more during Normal Operating Season after bid opening, Contracting Officer shall, upon award, adjust the contract term to include additional calendar days in one or more Normal Operating Seasons equal to the time award is delayed during Normal Operating Season.

The purchaser must submit a Plan of Operations to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the Plan of Operations, the purchaser must submit an annual Operating Schedule before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual Operating Schedule does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. The Purchaser may transfer purchaser credit into the contract, or provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. The purchaser shall make advance deposits in accordance with provision B(T)4.212 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the total advertised value plus 20 percent of the bid premium. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until conditions stated in the contract for release of downpayment have been met. Refer to the sample contract for the specific conditions.

By 07/31/2013, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of 75 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

If a qualified bidder elects to have the Forest Service construct specified roads, the contract shall provide for collection of not less than the full estimated cost of the roads stated in this prospectus, in addition to the current contract rate value and required deposits. Contract FS-2400-6T provides for collecting the estimated public works road construction cost as each payment unit is released for cutting, at a rate accelerated on 80 percent of the estimated volume.

If bidder elects the road option, payment for right-of-way timber will be made in advance of cutting. The timber will be decked by the road contractor and will be made available to the purchaser when notified by Forest Service of location and availability. If purchaser and road contractor agree, purchaser may cut and remove right-of-way timber as part of the specified road construction.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000 or \$3,000.00 whichever is greater. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 6 months past the contract termination date.

8. SPECIFIED ROADS. The Forest Service has determined that the following National Forest System roads shall be constructed or paid for, in whole or in part, by the timber sale purchaser. Sufficient information to permit a prospective bidder to calculate the likely cost to be incurred for road construction is available at the Forest Supervisor's Office. See the sample contract for verification of specific details and information concerning construction specifications. CONSTRUCTION ESTIMATES AND INFORMATION CONTAINED HEREIN, TOGETHER WITH RELATED SPECIFICATIONS, ARE NOT GUARANTEED. The following roads are those that Forest Service considers necessary to remove the timber from this sale.

Road Number	Road Name	Traffic Service	Approximate Miles/Kilometers	Estimated Road Construction Cost	Type of Work *
91021B	91021B	D	1.22 / 1.96	\$52,965.50	R
1123	Sugarloaf Tower	D	0.31 / 0.5	\$40,663.10	R

* C = Construction
R = Reconstruction

The required specified road completion date for all roads is 10/31/2012. If provision C(T)5.13# - Road Completion Date has different dates for projects, this is the final road completion date.

Total estimated construction cost allowed in appraisal is \$93,628.60

A bidder qualifying as a small business concern may elect to have the Forest Service construct the specified roads listed above.

Completion dates for construction apply whether construction is performed by the purchaser or by the Forest Service. If the bidder elects Forest Service construction, it is the Forest Service's intent to perform construction through CONTRACT. The Forest Service shall not award the timber sale contract unless either it receives a satisfactory road construction bid or, if it fails to receive such a bid within 120 days of opening timber sales bids, the bidder agrees to perform road construction.

If purchaser elects Forest Service construction, the total estimated public works construction cost that would require to be paid in addition to current contract rates is \$93,628.60. See provision C(T)4.12#- Amount Payable for Timber in the sample contract for additional information.

The following changes will be made to the sample contract when the Forest Service constructs specified roads:

A(T)3 - Timber Designations: "Specified Road Clearing" will be changed to "Construction Clearing" C(T)2.323.

A(T)7 - Change the title to "Permanent Roads To Be Constructed by Forest Service."

A22 or AT19 - Make the following changes in A22 or AT19:

- Add C(T)2.323 - Construction Clearing.
- Add C(T)4.12# - Amount Payable for Timber.
- Add C(T)8.41 - Limitation of Performance by Other Than Purchaser.

9. ROAD MAINTENANCE. Purchaser shall perform or pay for road maintenance work, commensurate with purchaser's use, on roads controlled by Forest Service, and used by purchaser in connection with this sale. Road maintenance requirements are based on the predicted haul route. Any change in the purchaser's actual haul route may necessitate a change in the roads to be maintained and/or in the amount of required deposit for road maintenance. Required deposits for road maintenance are listed in Section 4 and in the sample contract. Maintenance specifications are in the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL PROVISIONS. See sample contract.

12. SET-ASIDE SALES. Not Applicable.

13. LOG EXPORT AND SUBSTITUTION RESTRICTIONS. Not Applicable.

14. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967 and Executive Order No. 12086 of October 5, 1978.

15. AWARD. The Contracting Officer is required to make a determination of bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a purchaser to be responsible, a Contracting Officer must find that:

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer determines that the circumstances were beyond the purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;

- d. The purchaser has a satisfactory record of integrity and business ethics;
- e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;
- f. The purchaser is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that, to the best of bidder's knowledge the bidder will meet the requirements in 36 CFR 223.101, determination of purchaser responsibility, and, if awarded this contract, that bidder will complete the timber sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber.

16. FALSE STATEMENTS ACT. Bidders, by signing the bid form, certify that they are aware that bidder is subject to the penalties prescribed in 18 U.S.C. 1001, Chapter 47, Fraud and False Statements (P.L. 104-45). The Act states "whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both."

17. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter's date; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

18. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the bidding. Also, as a timber sale purchaser enters into transactions with subcontractors, these subcontractors must certify their eligibility. The certification titled "Subcontractor Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion" must be provided to subcontractors, but completed certifications are not required to be submitted with bid forms. Purchaser must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for subcontractor transactions are provided as an addendum to the bid form.

19. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) LOGGING REGULATIONS. Conduct of operations on this timber sale is subject to inspection for compliance with the logging operations regulations at 29 CFR 1910.266 by OSHA. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist purchasers to ensure compliance with the logging operations regulations during conduct of this timber sale from the U.S. Department of Labor, Occupational Safety and Health Administration, U.S. Dept of Labor OSHA, 10810 Executive Center Drive, Danville Bldg, Suite 206 Little Rock, AR 72211, 501-224-1841.

20. GENERAL.

No specific show-me-trip has been scheduled for this timber sale. If you desire a field review please contact the district office to schedule a tour. 870-269-3228

Erosion Control: This sale has an estimated 8.02 acres of erosion control work. Purchaser shall revegetate areas where soil disturbance by Purchaser operations have resulted in soil losses from erosion, normally by seeding or planting with grasses or other suitable plant material. Purchaser shall vegetate areas designated by the Forest Service in accordance with the specifications listed in the Contract, including temporary roads, skid trails, and landings. Refer to the sample contract for specific requirements.

Slash Disposal Requirements: Purchaser shall remove all logging slash and other debris resulting from Purchaser's operations from

cleared pipeline, power line right-of-ways, road surfaces, shoulders, drainage structures, trails, and from protected streamcourses shown on the sale area map. Refer to the sample contract for specific requirements.

Slash Treatment Zone: Within areas along roads, trails, streams, waterfronts, overlooks, or other sites, the Purchaser shall lop and scatter all slash to lie within 2 feet of the ground. The boundary of said treatment zone is designated on the sale map, and shall be 50 feet from designated roads and 25 feet on either side of designated trails.

This sale has an estimated 0.15 miles of slash treatment zones located along highway 5.

In addition to the volume listed on the bid form and on page 2 of this prospectus, there is an additional 1788 ccf of pine small roundwood (pulpwood and topwood), 566 ccf of hardwood small roundwood (oversized pulpwood, pulpwood and topwood), that can be purchased at the fixed rate of \$3.00 per CCF and road deposits of \$0.24 per ccf. In addition, 150 ccf of cedar sawtimber can be purchased at the fixed rate of \$5.00 per ccf and road deposit of \$0.24 per ccf. If the high bidder chooses to purchase this small roundwood and oversized pulpwood, it will be added to the contract after the bid opening and listed as Timber Subject to Agreement. If the Timber Subject to Agreement is purchased, then these trees must be felled, but removal is optional.

Temporary Road Construction: There is an estimated 0.95 miles of temporary road construction in the sale. The location and clearing widths of the all temporary roads and landings shall be agreed to, and all timber within the clearing limits shall be paid for before construction is started. Under average conditions a 12-18" culvert with 30 tons of gravel will be needed for temporary road use. Upon completion, the culvert must be removed from the sale. Refer to the sample contract for specific requirements.

The purchaser will be required to perform pre, during, and post haul road maintenance for approximately 5.0 miles of existing roads as specified in the sample contract under CT5.31.

Pre-haul maintenance must be complete before any hauling is permitted. Roads 91021F, 91021A, 91021C, 1145, 91074C, 91074B, 91075E, 91021H, 91020H, and 91021J require Dozer Blading for pre-haul maintenance. Roads 91021F, 91021A, 1145, 91074C, 91074B, 91075E, 91021H, and 91020H also require brushing for pre-haul maintenance.

Roads 91021F, 91021A, 91021C, 1145, 91074C, 91074B, 91075E, 91020H, and 91021J require dozer blading for during haul maintenance. The following roads also require the associated gravel shown for during haul maintenance. Roads: 91021F (30 tons 3" minus), 91021A (30 tons 3" minus and 30 tons of B stone), 91074B (30 tons of 3" minus and 45 tons of B Stone), and 91075E (15 tons of B Stone), 1145 (161 tons of B Stone), 91074C (45 tons of B Stone), 91020H (30 tons of 3" minus).

Roads 91021F, 91021A, 91021C, 1145, 91074C, 91074B, 91075E, 91021H, 91020H, and 91021J require Dozer Blading for post haul maintenance. Roads 91021F, 91021A, 91021C, 1145, 91074C, 91074B, and 91021J also require waterbars for post haul maintenance. Roads 91021F, 91021A, 91021C, 91074C, 91074B, 91021H and 91021J require closure by earth berm for post haul maintenance.

Any rock required in the maintenance of the roads will be placed at locations designated by the Forest Service. If this material is not needed, the estimated cost shall be charged to the Timber Sale Account in accordance to BT8.23 of the contract.

Stream Course Protection Requirements: Culverts, bridges, or fords shall be required where temporary roads or skid roads cross protected streamcourses shown on the Sale Area Map. All vehicles are prohibited within a designated boundary (Pink in color) along either side of the streamcourse designated on the Sale Area Map. Vehicles will be allowed to enter streamcourses only at locations designated by the Forest Service, or when it is essential to construct or remove culverts/bridges. Refer to the sample contract for specific requirements.

Pre-operations Meeting: The Purchaser or its representative shall have a pre-operations meeting with the Forest Service Representative before operations begin. This meeting is to provide each party an opportunity to discuss the details of the contract, billing procedures, logging plans, roads to be used for hauling and other matters pertinent to the timber sale.

Requirements for Protection of Threatened and Endangered Species Habitat, Cultural Resource Sites, and Cave Resources: The location of areas that require special measures for the protection of plants or animals listed as threatened or endangered under the Endangered Species Act of 1973 are identified on the ground. These sites include, but are not limited to historic or prehistoric sites, such as settler or Indian artifacts, buildings, objects, and properties related to American history, architecture, archaeology, or culture, and cave resources. The purchaser will be given a location map at the pre-operations meeting. The contract contains measures needed to protect such areas, but if they prove inadequate, or if other such areas or species are discovered, the Forest Service may either cancel or modified the contract.

Requirements for Protection of Improvements: The Purchaser shall protect and take responsibility for promptly repairing any damage caused to the following improvements located within or adjacent to the Sale Area: fences, power or telephone transmission lines, and/or survey markers and corners. The Purchaser shall not begin operations until making all necessary arrangements to protect these improvements. Refer to the sample contract for specific requirements.

The purchaser will be required to pay \$.24 per CCF (in addition to the stumpage cost) for road deposits. These deposits are for recurrent and/or deferred road maintenance. Additional timber added to the contract after contract execution will also include this charge.

ATTENTION*ATTENTION****ATTENTION. The Forest will conduct a Indiana Bat Survey in the Spring of 2013. Discovery of the Indiana Bat at that time will impact harvest operations on the timber sale from that time forward. The successful Purchaser should plan to complete harvesting of sale by June, 2013 to avoid issues with Indiana Bat management.

Requirements for Protection of Special Areas: Special Areas, designated with an "SA" on the Sale Area Map, will require special protection measures. All Payment Units of this sale area are located within the Secondary Indiana Bat Management Zone. If an Indiana Bat is found during survey scheduled for June of 2013, the following logging restriction is required: cutting of timber is prohibited between May 1st and November 30th. Refer to the sample contract for specific requirements.

Regardless of existing surveys, BT6.24 is applicable. Discovery, by either the Purchaser or Forest service, of additional areas, resources, species, or members of species needing special protection shall be promptly reported to the other party.

The USDA Forest Service is an equal opportunity provider and employer.

Requirements for Protection of Special Areas: Special Areas, designated with an "SA" on the Sale Area Map, will require special protection measures. Refer to the sample contract for specific requirements.